

AMENDED IN SENATE AUGUST 18, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2731

Introduced by ~~Committee on Insurance (Assembly Members Perea (Chair), Hagman (Vice Chair), Bradford, Ian Calderon, Cooley, Dababneh, Frazier, Gonzalez, Nestande, V. Manuel Pérez, and Wieckowski)~~ Assembly Member Perea

February 25, 2014

An act to amend ~~Sections 985.5, 1067.13, 1858.35, 11629.81 of, and to repeal Section 11759.2 of the Insurance Code, relating to insurance. Section 8 of Chapter 27 of the Statutes of 2014, relating to transportation.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2731, as amended, ~~Committee on Insurance Perea. Insurance. County of Fresno: maintenance of effort: streets and roads allocations.~~

Existing law gives the County of Fresno until June 30, 2020, to meet the maintenance of effort requirement associated with its receipt of streets and roads funds from gasoline sales tax revenues in the Transportation Investment Fund in the 2009–10 fiscal year, as long as it continues to provide medical services to indigent individuals and undocumented individuals consistent with the eligibility and benefit levels in effect in the 2013–14 fiscal year.

This bill would instead give the County of Fresno until June 30, 2020, to meet that maintenance of effort requirement if it uses \$5.5 million of funds that would otherwise be used to meet the requirement to provide specialty medical services in conjunction with federally funded clinics to indigent individuals.

~~Existing law requires the Insurance Commissioner, the California Life and Health Insurance Guarantee Association, and the California Automobile Assigned Risk Plan to submit specified reports to the Governor and the Legislature by specified dates.~~

~~This bill would require those reports to be submitted to the Senate Committee on Insurance and the Assembly Committee on Insurance instead of to the Legislature.~~

~~Existing law also requires a licensed rating organization designated as the commissioner's statistical agent to prepare a report on the potential underreporting of workers' compensation exposure in the taxicab industry, and to submit that report to the commissioner by April 1, 2003, and to the Governor and the Legislature by May 1, 2003.~~

~~This bill would repeal that provision.~~

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8 of Chapter 27 of the Statutes of 2014
2 is amended to read:
3 SEC. 8. (a) Notwithstanding subdivision (f) of Section 7104.2
4 of the Revenue and Taxation Code or any other provision of law,
5 the County of Fresno shall have until June 30, 2020, to meet the
6 maintenance of effort requirement applicable to counties in order
7 to receive a streets and roads allocation from the Transportation
8 Investment Fund for the 2009–10 fiscal year, as long as the County
9 of Fresno ~~continues to provide medical services to indigent~~
10 ~~individuals and undocumented individuals consistent with the~~
11 ~~eligibility and benefit provisions in effect in the 2013–14 fiscal~~
12 ~~year.~~ *uses five million five hundred thousand dollars (\$5,500,000)*
13 *of funds that would otherwise be used to meet that maintenance*
14 *of effort requirement to provide specialty medical services in*
15 *conjunction with federally qualified health clinics, or other*
16 *federally funded clinics, to indigent individuals, including, but not*
17 *limited to, those individuals who are ineligible for full-scope*
18 *Medi-Cal.*
19 (b) Subdivision (a) shall not be construed to require the County
20 of Fresno to expend more than a total of five million five hundred
21 thousand dollars (\$5,500,000) on the medical services described
22 in subdivision (a).

1 ~~(b)~~

2 ~~(c)~~ The Legislature finds and declares that a special law is
3 necessary and that a general law cannot be made applicable within
4 the meaning of Section 16 of Article IV of the California
5 Constitution because of the unique transportation funding needs
6 in the County of Fresno.

7 ~~SECTION 1. Section 985.5 of the Insurance Code is amended~~
8 ~~to read:~~

9 ~~985.5. In the case of the insolvency of an admitted insurer, the~~
10 ~~commissioner shall prepare a report, which shall be a public record,~~
11 ~~with respect to the causes and factors which contributed to that~~
12 ~~insolvency. The report shall be submitted to the Governor, the~~
13 ~~Senate Committee on Insurance, and the Assembly Committee on~~
14 ~~Insurance no later than one year from the date of the insolvency.~~

15 ~~SEC. 2. Section 1067.13 of the Insurance Code is amended to~~
16 ~~read:~~

17 ~~1067.13. The association shall be subject to examination and~~
18 ~~regulation by the commissioner. The board of directors shall submit~~
19 ~~to the commissioner, the Governor, the Senate Committee on~~
20 ~~Insurance, and the Assembly Committee on Insurance each year,~~
21 ~~not later than 120 days after the association's fiscal year, a financial~~
22 ~~report in a form approved by the commissioner and a report of its~~
23 ~~activities during the preceding fiscal year. Upon the request of a~~
24 ~~member insurer, the association shall provide the member insurer~~
25 ~~with a copy of the report.~~

26 ~~SEC. 3. Section 1858.35 of the Insurance Code is amended to~~
27 ~~read:~~

28 ~~1858.35. On or before May 1 of each year, the commissioner~~
29 ~~shall submit a report to the Senate Committee on Insurance, the~~
30 ~~Assembly Committee on Insurance, and the Governor stating the~~
31 ~~number and type of complaints received under this article and the~~
32 ~~status and disposition of these complaints. The commissioner may~~
33 ~~make any recommendations for improving the efficiency and~~
34 ~~effectiveness of complaint handling under this article.~~

35 ~~No information shall be provided under this section pertaining~~
36 ~~to a specified complaint against a specific insurer or rating~~
37 ~~organization. However, the commissioner may report that~~
38 ~~information in the aggregate.~~

39 ~~SEC. 4. Section 11629.81 of the Insurance Code is amended~~
40 ~~to read:~~

- 1 ~~11629.81. The California Automobile Assigned Risk Plan shall~~
- 2 ~~report to the Senate Committee on Insurance and the Assembly~~
- 3 ~~Committee on Insurance on an annual basis, and at those additional~~
- 4 ~~times as it deems prudent, on the status of the program.~~
- 5 ~~SEC. 5. Section 11759.2 of the Insurance Code is repealed.~~